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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL	
OMB Number:	3235-0123
Expires:	April 30, 2013
Estimated average burden hours per response.....	12.00



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**ANNUAL AUDITED REPORT
FORM X-17A-5
PART III**

SEC FILE NUMBER
8-68822

FACING PAGE

**Information Required of Brokers and Dealers Pursuant to Section 17 of the
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder**

REPORT FOR THE PERIOD BEGINNING 12/16/11 AND ENDING 12/31/12
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: **BSP Securities, LLC**

OFFICIAL USE ONLY
FIRM ID NO.

1380 West Paces Ferry Road NW, Suite 2060

(No. and Street)
Atlanta GA 30327
(City) (State) (Zip Code)

David Parr, FINOP

404-848-1571
(Area Code - Telephone No.)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Porter Keadle Moore, LLC

(Name - if individual, state last, first, middle name)

235 Peachtree Street, Suite 1800 Atlanta Georgia 30303
(Address) (City) (State)

CHECK ONE:

- Certified Public Accountant
- Public Accountant
- Accountant not resident in United States or any of its possessions.

SECURITIES AND EXCHANGE COMMISSION RECEIVED MAR 04 2013 REGISTRATIONS BRANCH 12

FOR OFFICIAL USE ONLY

*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See section 240.17a-5(e)(2).

SEC 1410 (06-02) Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

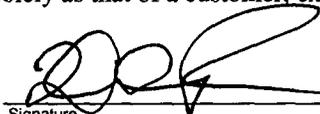
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OATH OR AFFIRMATION

I, David Parr, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of **BSP Securities, LLC**, as of **December 31, 2012**, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

ARPITA KIRIT PATEL
NOTARY PUBLIC
BARTOW COUNTY
STATE OF GEORGIA

My Commission Expires September 1, 2013



Signature

FINOP

Title



Notary Public

This report** contains (Check all applicable boxes):

- (a) Facing page.
- (b) Statement of Financial Condition.
- (c) Statement of Income (Loss).
- (d) Statement of Cash Flows.
- (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietor's capital.
- (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- (g) Computation of Net Capital.
- (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- (j) A Reconciliation, including appropriate explanation, of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- (l) An Oath or Affirmation.
- (m) A copy of the SIPC Supplemental Report.
- (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

**For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).



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BSP SECURITIES, LLC

Financial Statements

December 31, 2012

(with Independent Auditor's Report thereon)

SEC
Mail Processing
Section

MAR 04 2013

Washington, DC
101



Filed as PUBLIC information pursuant to Rule 17a-5(d) under the Securities Exchange Act of 1934.



INDEPENDENT AUDITOR'S REPORT

To the Member
BSP Securities, LLC
Atlanta, Georgia

Report on the Financial Statement

We have audited the accompanying statement of financial condition of BSP Securities, LLC, a wholly owned subsidiary of Banks Street Partners, LLC, (the "Company") as of December 31, 2012 that you are filing pursuant to Rule 17a-5 under the Securities Exchange Act of 1934, and the related notes to this financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the statement of financial condition is free of material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the statement of financial condition. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the statement of financial condition in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the statement of financial condition.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the statement of financial condition referred to above presents fairly, in all material respects, the financial position of BSP Securities, LLC as of December 31, 2012 in conformity with accounting principles generally accepted in the United States of America.

Porter Keadle Moore, LLC

Atlanta, Georgia
February 19, 2013

BSP SECURITIES, LLC
(a wholly owned subsidiary of Banks Street Partners, LLC)

Statement of Financial Condition

December 31, 2012

Assets

Cash	\$ 97,478
Receivable from non-customer	<u>2,000</u>
Total assets	\$ <u>99,478</u>

Liabilities and Member Equity

Accounts payable and accrued expenses	\$ 1,366
Amount due to related party	<u>4,841</u>
Total liabilities	6,207
Member equity	<u>93,271</u>
Total liabilities and member equity	\$ <u>99,478</u>

See notes to statement of financial condition.

BSP SECURITIES, LLC
(a wholly owned subsidiary of Banks Street Partners, LLC)

Notes to Statement of Financial Condition

(1) Description of Business and Summary of Significant Accounting Policies

Business

BSP Securities, LLC (the "Company") is a Georgia limited liability company formed on September 15, 2010, and is a broker-dealer registered with the Securities and Exchange Commission ("SEC") under Section 15(b) of the Securities Exchange Act of 1934, and a member of the Financial Industry Regulatory Authority ("FINRA"). The Company received approval to become a broker-dealer on December 16, 2011. The Company provides investment banking services primarily to small and mid-sized banks in the southeastern United States. Per its FINRA membership agreement, the Company is permitted to be an underwriting or selling group participant on a best efforts basis, a broker selling tax shelters or limited partnership in primary distributions, private placements of securities and merger and acquisition services. The Company's primary source of revenue is providing merger and acquisitions services to small and mid-sized banks and thrifts.

Basis of Presentation and Use of Estimates

The accounting and reporting policies of the Company conform to accounting principles generally accepted in the United States of America ("GAAP"). The preparation of statement of financial condition in conformity with GAAP requires the Company's management to make estimates and assumptions that affect the amounts reported in the statement of financial condition. Actual results could differ from these estimates.

Receivable from Non-Customer

Receivable from non-customer represents money due to the Company for investment banking services rendered. The Company believes the full amount of the receivable is collectable; therefore no allowance for doubtful accounts has been recorded in the financial statements.

Income Taxes

As a limited liability corporation, the tax consequences of the Company's operations all pass through to the member. Accordingly, the Company's financial statements do not include a provision for income taxes.

GAAP requires management to evaluate tax positions taken by the Company and recognize a tax liability (or asset) if the Company has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. Management has analyzed the tax positions taken by the Company and has concluded that as of December 31, 2011, there were no uncertain tax positions taken or expected to be taken that would require recognition of a liability or asset or disclosure in the Company's financial statements. The Company has recognized no interest or penalties related to uncertain tax positions. The Company is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

The Company's tax returns for 2011 and 2012 are subject to income tax examination.

Concentration of Credit Risk

The Company maintains cash balances at banks or other financial institutions. At various times during the year these balances may exceed the \$250,000 FDIC insurance limit.

Limitation of Member Liability

Member liability is limited to the amount of capital contributed under Georgia limited liability corporation law.

BSP SECURITIES, LLC
(a wholly owned subsidiary of Banks Street Partners, LLC)

Notes to Statement of Financial Condition

(2) Related Party Transactions

Banks Street Partners, LLC, the 100% owner of the Company, (the "Parent") provides ongoing administrative support, management, office space, office equipment and other services under a written Services Agreement (the "Agreement"). As of December 31, 2012, \$4,841 was payable to the Parent pursuant to the Agreement. The Agreement can be cancelled at any time with consent of the Parent.

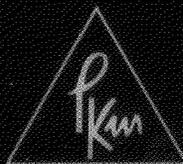
(3) Net Capital Requirements

The Company is subject to the SEC Uniform Net Capital Rule (SEC Rule 15c3-1), which requires that the Company maintain minimum net capital equivalent to the greater of \$5,000 or 6 2/3% of aggregate indebtedness, and requires that the ratio of aggregate indebtedness to net capital shall not exceed 15 to 1. At December 31, 2012, the Company had net capital of \$91,271 as defined, which was \$86,271 in excess of its required minimum net capital of \$5,000. The Company's ratio of aggregate indebtedness to net capital was 0.068 to 1 at December 31, 2012.

Advances to affiliates, distributions, and other equity withdrawals are subject to certain notification and other provisions of the SEC Uniform Net Capital Rule or other regulatory bodies.

(4) Subsequent Events

Management has evaluated subsequent events for potential recognition or disclosure in the financial statements through February 19, 2013, the date on which the financial statements were available to be issued and nothing material was found.



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